### ORIGINAL

# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

MAY 2 0 19961
FEDERAL SECRETARY SOSION

In the Matter of

Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 CC Docket No. 96-98

**UOCKET FILE COPY ORIGINAL** 

To: The Commission

COMMENTS OF AMERITECH ON DIALING PARITY,
NUMBER ADMINISTRATION, NOTICE OF TECHNICAL
CHANGES, AND ACCESS TO RIGHTS-OF-WAY

Thomas P. Hester Kelly Welsh John T. Lenahan Larry Peck Frank Michael Panek

Ameritech 30 South Wacker Drive Chicago, IL 60606 (312) 750-5367

Dated: May 20, 1996

Antoinette Cook Bush Jay L. Birnbaum Jeffry A. Brueggeman

Skadden, Arps, Slate, Meagher & Flom 1440 New York Avenue, N.W. Washington, D.C. 20005 (202) 371-7230

> No. of Copies rec'd 6418 List ABCDE

#### SUMMARY

As discussed in detail in Ameritech's previously filed comments in this proceeding, in interpreting Section 251 of the 1996 Act, the Commission should consider each provision in the context of Congress's overall intent and other provisions of the 1996 Act. Moreover, in deciding the level of detail to incorporate into its rules, the Commission should ensure that it does not usurp meaningful negotiations or preempt state authority, which are explicitly preserved in Sections 251(c)(1) and 252 of the 1996 Act, or lose sight of the fact that the ultimate purpose of the 1996 Act is to effectuate the transition from regulation to competition. Complicated and inflexible national rules will delay achievement of that goal.

The Commission can most efficiently and expeditiously implement dialing parity if it builds upon what has been accomplished at the state level. For example, Illinois and Michigan already require local and toll intraLATA dialing parity arrangements consistent with the requirements of Sections 251(b)(3) and 271(e)(2). Consequently, Ameritech has implemented end office integration interconnection arrangements with local exchange carriers ("LECs") in these states that route traffic between competing LECs without dialing access codes. Ameritech also offers intraLATA toll dialing

parity in both states through the "Full 2-PIC" methodology. Further, Ameritech offers nondiscriminatory access in these states to telephone numbers, operator services, directory assistance and directory listings. The Commission should build upon these existing arrangements.

Moreover, the industry can promptly comply with the other requirements of Section 251 if the Commission gives the states and the LEC industry the flexibility to utilize the arrangements that have existed for many years among incumbent LECs, and to extend them to new LECs. Specifically, the industry and the state commissions can continue to perform their current numbering administration functions until such functions are transferred to a national administrator. respect to public notice of technical changes, incumbent LECs should be allowed to continue their current practice of providing notice of information necessary to ensure continuity of interconnection and interoperability in accordance with the flexible "All Carrier Rule." Finally, LECs should be required to provide nondiscriminatory access to poles, conduits and rights-of-way consistent with established local allocation procedures and subject to state oversight. These arrangements fully meet the requirements of the 1996 Act and no constructive purpose would be served by the adoption of complicated and rigid national rules.

### TABLE OF CONTENTS

SUMMA	ARY		j
Ι.	DIA	ALING PARITY	2
	Α.	Local Dialing Parity Requires That End Users Have The Ability To Select Among Qualified LECs And Dial End Users Connected To Another LEC Without Dialing An Access Code	3
	В.	All LECs Should Provide Nondiscriminatory Access To Telephone Numbers, Operator Services, Directory Assistance And Directory Listings To Competing LECs	7
		1. The Commission's Proposed Method Of Providing Access Is Generally Consistent With The 1996 Act And Current Practices	-
		2. Some Of The Commission's Proposals Could Exceed The Scope Of The 1996 Act	10
	C.	Toll Dialing Parity Requires That Telephone Exchange Customers Of A BOC Be Able To Presubscribe To Toll Carriers	13
	D.	The Commission Need Not Adopt Specific Notice Requirements For IntraLATA Toll Carrier Selection	20
II.	NUM	MBER ADMINISTRATION	22
III.	PUE	BLIC NOTICE OF TECHNICAL CHANGES	25
	Α.	All LECs Should Be Required To Provide Reasonable Advance Notice Of Network Changes That Impact Either Interconnection Or Interoperability	25
	В.	Advance Notice Of Network Changes Should Be Provided In Accordance With The Commission's Existing All Carrier Rule	29
	C.	The Notification Requirement Of Section 251(c)(5) Should Correspond With Similar LEC Obligations Set Forth Elsewhere In The 1996 Act	31
IV.		LECs SHOULD BE REQUIRED TO PROVIDE ACCESS TO LES, CONDUITS AND RIGHTS-OF-WAY	32
CONCI	LUSI	ON	40

## Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of

Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 CC Docket No. 96-98

To: The Commission

### COMMENTS OF AMERITECH ON DIALING PARITY, NUMBER ADMINISTRATION, NOTICE OF TECHNICAL CHANGES, AND ACCESS TO RIGHTS-OF-WAY

Ameritech submits these comments in response to the Commission's Notice of Proposed Rule Making ("NPRM") in the above-captioned docket. As requested, these comments address the Commission's questions and tentative conclusions with respect to dialing parity, number administration, public notice of technical changes, and access to rights-of-way under the Telecommunications Act of 1996 (the "1996 Act"). In these comments, Ameritech demonstrates that the principles,

Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Notice of Proposed Rulemaking, CC Dkt. No. 96-68, FCC 96-182 (Released April 19, 1996). On May 16, 1996, Ameritech submitted comments in response to the NPRM's proposals on other aspects of Sections 251, 252 and 253 of the 1996 Act.

Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (codified as amended at 47 U.S.C. § 151).

practices and procedures necessary to effectuate Section 251's dialing parity, number administration, notice of technical changes, and access to rights-of-way requirements already exist and can form the basis of the implementation of the 1996 Act.

#### I. DIALING PARITY

Section 251(b)(3) of the 1996 Act imposes an obligation on all local exchange carriers ("LECs") to provide dialing parity to "competing providers of telephone exchange service and telephone toll service." For purposes of this requirement, "dialing parity" requires (1) that end users can select among two or more available competing LECs for their telephone exchange and toll service, and (2) that telephone exchange customers of a competing LEC can call end users connected to another LEC without having to dial an access code. Section 251(b)(3) also requires that LECs permit "competing providers of telephone exchange service and telephone toll service" to have nondiscriminatory access to tele-

<sup>&</sup>lt;sup>3</sup> 47 U.S.C. § 251(b)(3).

<sup>&</sup>lt;sup>4</sup> 47 U.S.C. § 153(15).

phone numbers, operator services, directory assistance, and directory listings, with no unreasonable dialing delays. 5

A. Local Dialing Parity Requires That End Users Have The Ability To Select Among Qualified LECs And Dial End Users Connected To Another LEC Without Dialing An Access Code.

Ameritech generally concurs with the Commission's tentative conclusion that, pursuant to Section 251(b)(3), all LECs are required to "permit telephone exchange customers within a defined local calling area to dial the same number of digits to make a local call, notwithstanding the identity of a customer's or the called party's local telephone service provider. "6 However, the Commission's definition goes beyond the requirements of the 1996 Act in one respect; the 1996 Act simply requires that local calls between competing LECs be dialed without use of an "access code". Ameritech neverthe-

<sup>&</sup>lt;sup>5</sup> 47 U.S.C. § 251(b)(3).

NPRM at ¶ 211. In light of the plain language of Section 251(b)(3), the Commission should clarify that the dialing parity obligation applies only to competing carriers that provide both telephone exchange service and telephone toll service (i.e., competing LECs). See discussion infra part I(B)(2).

<sup>47</sup> U.S.C. § 153(15). The Senate version of the dialing parity provision would have required LECs to provide customers with the ability "to dial the same number of digits" when using any carrier providing telephone exchange and exchange access service in the same area. S. 652, 104th Cong., 1st Sess. new § 251(b)(6)(A) (1995). In Conference, (continued...)

less has exceeded the requirements of Section 251(b)(3) and voluntarily established interconnection arrangements that allow customers of competing LECs to complete calls by dialing the same number of digits as dialed by Ameritech's customers. Such arrangements facilitate customer convenience and competition.8

The Commission can implement Section 251(b)(3) by adopting a general rule requiring all LECs (1) to enable their customers to switch to other qualified competing LECs and (2) to enter into interconnection arrangements implementing local dialing parity with respect to competing LECs in the same area. Dialing parity arrangements meeting these standards are technically feasible and have already been ordered and implemented in several states. In fact, Ameritech has implemented end office integration interconnection arrangements that effectuate local dialing parity with competing LECs in both

<sup>7(...</sup>continued)

Congress narrowed the dialing parity obligation so that a LEC is required to provide customers with the ability to dial end users of competing LECs in the area without the use of an "access code."

See NPRM at  $\P$  206.

Michigan and Illinois. These arrangements fully meet the Commission's proposed standard.

The Commission also seeks comment on when local dialing parity should be required for all LECs. 10 As a practical matter, the time for implementing local dialing parity should be when interconnection is implemented between competing LECs. Therefore, as a general rule, local dialing parity should be an integral part of any end office integration interconnection arrangement between competing LECs.

In order to implement the local dialing parity requirement for all customers under Section 251(b)(3), the Commission should confirm that both new and incumbent LECs have the same duty to provide local dialing parity. Such symmetry is essential to achieving local dialing parity since the ability of telephone exchange customers of one LEC to call local exchange customers connected to competing LECs requires full compatibility and interoperability among networks. Further, the Commission's rules should acknowledge that one LEC cannot control the actions of a competing LEC, and should therefore clarify that a LEC is not responsible for when or

See, e.g., Michigan Public Service Commission ("MPSC")
Tariff No. 20R, Part 21, Section 2, Sheets 43-51.

 $<sup>^{10}</sup>$  NPRM at ¶ 212.

whether dialing parity is implemented by the competing LEC in its network. Rather, the Commission's rules should provide that a LEC satisfies its local dialing parity obligation under Section 251(b)(3) upon offering interconnection arrangements to competing LECs that enable their end user customers to call end user customers of the LEC without dialing an access code. Likewise, each competing LEC also should be responsible for programming translations into its network that enable its end user customers to dial the end user customers of other competing LECs without dialing an access code.

Moreover, in accordance with the "whole statute" principle of statutory interpretation, the Commission should clarify that a Bell Operating Company's ("BOC") compliance with Section 251(b)(3) satisfies its local dialing parity obligation in the Competitive Checklist. Section 271(c)(2)(B)(xii) expressly incorporates the dialing parity requirements of Section 251(b)(3). Since the terms in the Competitive Checklist cannot be limited or extended by the

<sup>47</sup> U.S.C. § 271(c)(2)(B)(xii). The "whole statute" principle provides that each part or section of a statute should be construed with every other part or section so as to produce a harmonious whole. See, e.g., Gustafson v. Alloyd Co., Inc., 115 S.Ct. 1061 (1995); Smith v. U.S., 508 U.S. 223 (1993).

<sup>&</sup>lt;sup>12</sup> 47 U.S.C. § 271(c)(2)(B)(xii).

Commission, 13 a LEC's compliance with Section 251(b)(3) necessarily constitutes compliance with Section 271(c)(2)(B)(xii).

- B. All LECs Should Provide Nondiscriminatory Access
  To Telephone Numbers, Operator Services, Directory
  Assistance And Directory Listings To Competing LECs.
  - 1. The Commission's Proposed Method Of Providing Access Is Generally Consistent With The 1996
    Act And Current Practices.

Ameritech generally agrees with the Commission's conclusion that LECs must provide nondiscriminatory access to telephone numbers, operator services, directory assistance and directory listings. In fact, Ameritech offers to all competing LECs nondiscriminatory access to central office codes ("NXX codes"), directory assistance, operator services and white pages directory listings. Moreover, consistent with the intent of Congress that there be no unreasonable dialing delays associated with access to these functions, Ameritech offers arrangements that do not require customers of competing LECs to dial access codes or to experience any unreasonable post-dial delay when gaining access to Ameritech's directory assistance or operator services.

First, as the Commission noted, Section 251(b)(3) requires LECs to assign NXX codes on a nondiscriminatory basis until the Commission completes the transfer of the number

<sup>&</sup>lt;sup>13</sup> 47 U.S.C. § 271(d)(4).

administration function to a neutral third party in the North American Numbering Plan ("NANP") proceeding. 14 The Commission's actions in the NANP proceeding are sufficient to implement this requirement. In addition, continued nondiscriminatory assignment of NXX codes under existing national assignment guidelines meets the requirements of the Competitive Checklist. 15

Second, the Commission is correct that nondiscriminatory access to operator services is provided where a LEC permits customers of a competing LEC to utilize its operator services. A LEC, however, cannot control the dialing arrangements that a competing facilities-based carrier implements in its network. Therefore, the Commission should clarify that each incumbent LEC's responsibility in this regard is satisfied by offering arrangements that would permit customers

Id. at ¶ 215 (citing Administration of the North American Numbering Plan, CC Dkt. No. 92-237, Report and Order, FCC 95-283 (Released July 13, 1995) ("NANP Order")).

<sup>&</sup>lt;sup>15</sup> 47 U.S.C. § 271(c)(2)(B)(ix).

See NPRM at ¶ 216. With respect to the resale of operator services to non-facilities based competing carriers, Section 251(b)(3) by its terms creates a duty to provide nondiscriminatory access to operator services to customers of resellers of Ameritech's telephone exchange and toll services. This duty is fulfilled if the LEC provides nondiscriminatory access to customers taking telephone exchange and toll services from a competing carrier. No additional resale obligation arises.

of a competing LEC to access the first LEC's operator services by dialing "0" or "0+". Once again, the arrangements described above are sufficient to satisfy the nondiscriminatory access to "operator completion services" requirement of the Competitive Checklist.<sup>17</sup>

Third, Ameritech agrees with the Commission that all LEC customers should have the ability to access a LEC's directory assistance service and to obtain a listing, regardless of the identity of the customer's LEC. 18 An individual LEC can control only its own actions, and therefore the Commission's rules should clarify that a LEC satisfies its statutory obligations if it (1) offers competing LECs nondiscriminatory access to its directory assistance and (2) offers to list the customers of competing LECs who reside within the geographic scope of its exchange in its directory assistance. 19 This

<sup>47</sup> U.S.C. § 271(c)(2)(B)(xii).

See NPRM at ¶ 217. Although the NPRM is not entirely clear, to the extent the Commission may be considering imposing a duty that extends beyond LEC customers to customers of all telecommunications service providers, it would be contrary to the plain language of the 1996 Act. See supra part II(B)(2).

Consistent with Section 251(b)(3), Ameritech offers access to its directory assistance through dialing 411 or 555-XXXX, as applicable. The end office integration arrangements offered by Ameritech permit competing LECs to utilize dialing arrangements in their networks that will enable their (continued...)

interpretation also is consistent with the Competitive Checklist, which requires that a BOC provide "directory assistance services to allow the other carriers' customers to obtain telephone numbers."<sup>20</sup>

Finally, as the Commission acknowledges, the 1996

Act does not address the issue of how competing providers

should recover the cost of providing dialing parity. 21 Therefore, cost recovery should remain purely a state matter and the costs of dialing parity should be recovered under normal regulatory principles from the cost-causer.

2. Some Of The Commission's Proposals
Could Exceed The Scope Of The 1996 Act.

Although Ameritech generally supports the Commission's tentative conclusions regarding access to telephone numbers, operator services, directory assistance and

<sup>19(...</sup>continued)
customers to access Ameritech's directory assistance by
dialing 411, 555-XXXX or any other available dialing arrangements the other LEC may choose. If the Commission
adopts a specific rule with respect to this issue, it should
clarify that the access provided by Ameritech complies with
its requirements, since it does not require the dialing of
an access code.

<sup>47</sup> U.S.C. § 271(c)(2)(B)(vii)(II) (emphasis added). Ameritech submits that by providing directory assistance to a competing LEC pursuant to Section 251(b)(3), it enables customers of the LEC to access its directory assistance services, as required by the Competitive Checklist.

See NPRM at  $\P$  219.

directory listings, the Commission's tentative conclusions could be interpreted as exceeding the scope of the 1996 Act. Specifically, Section 251(b)(3) does not require that LECs provide nondiscriminatory access to telephone numbers, operator services, directory assistance and directory listings to all telecommunications services providers. 22 Rather, a LEC's duty under Section 251(b)(3) is limited to providing access to these functions and services to providers of both "telephone exchange and telephone toll service" (i.e., other LECs). approach makes sense because access to these functions facilitates local dialing parity and the exchange of traffic between competing LECs and has traditionally been an integral part of end office integration interconnection arrangements between LECs.<sup>23</sup> In accordance with congressional intent, therefore, the Commission's rules should reflect that a LEC's duty with respect to these functions extends only to other LECs.24

Id. at § 214.

Telephone numbers and directory listings are not associated with toll presubscription, while directory assistance and operator services are already available to customers, regardless of which toll carrier they choose.

<sup>47</sup> U.S.C. § 251(b)(3) (emphasis added). Ameritech's interpretation of Section 251(b)(3) is confirmed by legislative history. The Senate version of the dialing parity provision (which more closely resembles the interconnection duty ultimately adopted) required LECs to provide dialing parity (continued...)

The Commission also requests comment on whether it should interpret the "nondiscriminatory access" requirement of Section 251(b)(3) to mean "the same access that the LEC receives with respect to such services." There is no basis for such an interpretation. When Congress has imposed upon a carrier the extraordinary requirement to provide a service or function on the same basis to unaffiliated carriers as it provides to itself, it has done so explicitly. In fact, another provision of Section 251 explicitly requires incumbent LECs to provide interconnection at least equal to the interconnection that such incumbent LEC provides to itself or to any other party. Since Section 251(b)(3) contains no such requirement, the only logical interpretation is that LECs are required to provide access to telephone numbers, operator services, direc-

<sup>&</sup>lt;sup>24</sup>(...continued)

to customers of carriers "providing telephone exchange or exchange access service." S. 652, 104th Cong., 1st Sess. new § 251(b)(6)(A) (1995). In Conference, the conjunction connecting the terms telephone exchange service and exchange access was changed from "or" to "and." This change represents a decision by Congress that local dialing parity pursuant to Section 251(b)(3) be available to new LECs seeking to compete fully with incumbent LECs by providing both competing telephone exchange service and telephone toll service.

<sup>&</sup>lt;sup>25</sup> NPRM at  $\P$  214.

<sup>47</sup> U.S.C. § 251(c)(2); see also §§ 272(c)(1), (e)(1), (e)(3) (imposing a nondiscrimination requirement in three different categories between a BOC and unaffiliated carriers).

tory assistance and directory listings that is nondiscriminatory among carriers.

Finally, with respect to the Commission's request for a definition of "unreasonable dialing delays" under Section 251(b)(3), it is not necessary or appropriate for the Commission to develop detailed standards in connection with this requirement. Based on Ameritech's experience with its existing end office interconnection arrangements with competing LECs, SS7 capabilities enable LECs to provide access to operator services and directory assistance to customers of the competing LEC without additional dialing delays.

## C. Toll Dialing Parity Requires That Telephone Exchange Customers Of A BOC Be Able To Presubscribe To Toll Carriers.

The Commission seeks comment on whether a uniform federal standard is needed to implement the 1996 Act's toll dialing parity requirements and, if so, whether any of the presubscription methods adopted by the states should be implemented as the national dialing parity standard. As the Commission recognized in the NPRM, the 1996 Act does not specify a method for implementing toll dialing parity. Therefore, consistent with Congress's general approach of

NPRM at  $\P$  210; see also 47 U.S.C. § 271(e)(2).

<sup>&</sup>lt;sup>28</sup> *NPRM* at  $\P$  207.

promoting industry flexibility at the state level, the Commission should adopt broad rules that afford flexibility to adopt state-specific toll dialing parity methodologies that best meet local conditions, provided they are not inconsistent with the 1996 Act.<sup>29</sup>

If the Commission adopts toll dialing parity rules, it should build upon what has already been accomplished in the states, thereby avoiding the delay, significant cost and consumer confusion that would arise from the implementation of a completely new and untested methodology. Further, this approach will avoid jurisdictional disputes that could cause further confusion and delay. Such flexibility is essential, since network design, technology, rate structures, and carrier and customer needs vary from state to state. As an illustration of the need for local flexibility, even though the same general toll dialing parity methodology was adopted in Illinois, Michigan and Wisconsin, toll dialing parity was imple-

The NPRM asks parties to provide relevant portions of the Comments they filed in the North American Numbering Plan ("NANP") proceeding addressing methodologies for intraLATA toll dialing parity. NPRM at ¶ 205. Ameritech did not specifically address this issue in its Comments because it believes that the methodology for implementing intraLATA toll dialing parity should be selected at the state level based upon local needs and conditions. Ameritech did recommend, however, that the methodology for interstate, intraLATA traffic based upon the method used for corresponding intrastate, intraLATA toll traffic in the same geographic area.

mented differently in each state based upon state-specific needs, historic state policies, and rate structures. In Illinois, for example, the absence of any intraLATA toll structure required that the Illinois Commerce Commission ("ICC") create definitional boundaries between local and toll traffic for purposes of implementing a toll dialing parity requirement. In arriving at its decision, the ICC weighed a host of local considerations, including existing rate structures and levels.

Moreover, if the Commission adopts a national standard to implement the toll dialing parity requirement, it should authorize the use of established and technically feasible methodologies, such as the "Full 2-PIC" presubscription methodology. The Full 2-PIC method has been implemented in Illinois, Michigan and Wisconsin and meets the 1996 Act's toll dialing parity requirement. In fact, the Full 2-PIC method allows end users to presubscribe to different toll carriers

The Commission acknowledges that some form of intraLATA toll dialing parity has been implemented in a number of states, but it questions the degree to which implementation requirements and methodologies have varied. NPRM at ¶ 203. In Ameritech's region, intraLATA toll dialing parity has been implemented in Illinois, and in portions of Michigan and Wisconsin, utilizing the same methodology -- Full 2-PIC. IntraLATA toll dialing parity also is under active consideration in Ohio and Indiana, but has not yet been implemented in either state.

for intraLATA toll service and interLATA toll service (with the latter including international service).<sup>31</sup> The switch software necessary to provide Full 2-PIC capability has already been developed, deployed and tested, and is operational in switches in Illinois, Michigan and Wisconsin.<sup>32</sup> In each of these three states, Full 2-PIC received the general support of the industry and was adopted by the state regulatory commission.<sup>33</sup>

In contrast, some of the other toll dialing parity methods discussed by the Commission in the NPRM exceed current technological capabilities and are in direct conflict with

In its February 19, 1994 Opinion and Order in MPSC Case U-10138, the MPSC mandated statewide intraLATA toll dialing parity by January 1, 1996. That date was superseded by legislation in Michigan that required conversion of 10% of Ameritech's exchanges to intraLATA toll dialing parity by January 1, 1996. Conversion of additional exchanges is conditioned upon and coincidental with removal of the interLATA prohibition. See Michigan Telecommunications Act, as amended, § 312(b).

There may be a few Siemens and older AT&T 2BESS switches, serving a small percentage of access lines, for which Full 2-PIC software is not developed. In any event, the necessary software for Siemens switches is scheduled to be available by mid-year.

See, e.g., MPSC Case No. U-10138, Opinion and Order, at 42-43 (Mar. 10, 1995); PSCW, Phase II Findings of Fact, Conclusions of Law and Second Final Order, Dkt. No. 05-TI-119 (July 7, 1994) (finding by the Public Service Commission of Wisconsin ("PSCW") that Full 2-PIC is technically feasible and in the public interest).

existing state arrangements. Specifically, the Commission should not adopt a requirement that LECs accommodate requests for a separate toll carrier for international service. 34 While Section 271(e)(2) of the 1996 Act expressly creates a requirement that BOCs provide dialing parity with respect to intraLATA toll traffic as a condition of in-region, intraLATA relief, nothing in the 1996 Act requires a separate preferred interexchange carrier ("PIC") choice for international traf-The 1996 Act does not appear to address international traffic at all and, in fact, was specifically designed to facilitate local competition. 35 Absent congressional intent to create a distinction between domestic and international long distance traffic (as it did between existing local and toll traffic), the Commission should not mandate such a requirement. At most, the Commission should clarify that, to the extent a LEC's obligation to provide dialing parity encompass-

 $<sup>^{34}</sup>$  NPRM at ¶ 210 (requesting comments on whether a separate toll dialing parity selection is necessary for international calls).

This makes sense -- international traffic is already included in the PIC choice for interLATA toll traffic, and therefore no action was required by Congress.

es international service, such international service can continue to be included in the interLATA PIC selection.<sup>36</sup>

Likewise, the Commission should not mandate implementation of the "Multi-PIC" or "Smart-PIC" presubscription methods, which enable customers to presubscribe to multiple carriers for various categories of long distance calling (e.g., intrastate, interstate and international). Although these methodologies may be desirable long-term objectives, they currently exceed the technical capabilities of network switching. As the Public Utilities Commission of Ohio's ("PUCO") Staff found in a 1995 proceeding, Smart-PIC is not currently available.<sup>37</sup> For that reason, the PUCO's Staff ultimately recommended implementation of Full 2-PIC instead.

Traffic between the U.S. and points outside the U.S. is generally treated separately from domestic traffic. In fact, it does not appear that the term "foreign communications," as defined in the Communications Act, is included within "telephone toll service," as defined therein, since they are defined in separate sections and foreign communications is not between "stations in different exchange areas," as required to qualify as toll service. Compare 47 U.S.C. § 153(17) defining "foreign communications" and 47 U.S.C. § 153(48) defining "telephone toll service."

PUCO Entry Case No. 95-845-TP-COI, Appendix A, at 12 (September 27, 1995); see also PSCW, Phase II Findings of Fact, Conclusions of Law and Second Final Order, Dkt. No. 05-TI-119 (July 7, 1994) (finding of PSCW that Smart-PIC technology will not be technologically feasible for the foreseeable future).

In fact, the cost and time required to develop the software to support the Multi- or Smart-PIC presubscription methods is unknown, and the issue of retro-fitting switches to accommodate such software has not yet been addressed. Further, no proven demand has yet been demonstrated. Thus, the Commission should resist the temptation to pursue a "will-of-the-wisp."

Finally, the 1996 Act is clear in specifying when intraLATA toll dialing parity should be implemented by BOCs. 38 Under Section 271(e)(2), except in single LATA states and cases where a state has previously ordered intraLATA toll presubscription, a BOC is required to implement intraLATA toll dialing parity throughout each state coincident with its exercise of in-region, interLATA authority in that state (or three years after the date of enactment of the 1996 Act). 39 Congress's stated intent is that intraLATA toll dialing parity and BOC provision of in-region, interLATA service be linked, and the Commission should not separate them.

Ameritech submits that state commissions are in the best position to determine if and when non-BOCs (e.g., small

<sup>&</sup>lt;sup>38</sup> *NPRM* at  $\P$  212.

This is in contrast to Section 251(b)(3)'s implementation of local dialing parity, which Ameritech submits should occur concurrent with the implementation of interconnection between competing LECs. See supra part I(A).

rural LECs) should implement intraLATA toll dialing parity. Further, state commissions can best resolve consumer demand and impact issues associated with a conversion to intraLATA toll dialing parity by smaller LECs.

### D. The Commission Need Not Adopt Specific Notice Requirements For IntraLATA Toll Carrier Selection.

The 1996 Act does not require the implementation of a procedure for notifying customers of their right to choose among competitive toll carriers. 40 Nevertheless, carrierneutral customer notification of the toll dialing parity selection processes is in the public interest and should be a part of the implementation of any toll dialing parity plan. In fact, customer notification is an integral part of the intraLATA toll dialing parity plans that Ameritech is implementing in Illinois, Michigan and Wisconsin.

It is important to note, however, that these state customer notification programs simply provide carrier-neutral notification of the intraLATA toll dialing parity plan ordered by the state commission, rather than forcing customers to make selections before they choose to do so, such as through balloting. Balloting should not be a part of these interLATA toll dialing parity plans because it is unnecessary, confusing

See NPRM at  $\P$  213.

for consumers, and will inevitably result in some customers being assigned to carriers that they did not select.

Balloting is not required in Illinois, Michigan or Wisconsin for any exchange that has been converted to interLATA equal access. In Illinois, for example, the ICC's Staff opposed balloting arrangements on the basis that they "probably would increase customer confusion and could result in unintended and undesirable rate increases. "I Further, virtually every interested party opposed balloting in Wisconsin, and therefore the PSCW made no specific finding on this issue. Indeed, since competitive LECs will choose to enter a particular geographic market at different times, balloting would be unworkable. For these reasons, balloting should not be imposed by the Commission.

If the Commission establishes a national customer notification requirement, it should recognize that the details of any such notification plan should reflect local circumstances, including local carrier selection options, rates and dialing plans. Consistent with the notification programs in

See, e.g., MPSC Case No. U-10138, Opinion and Order, at 29-32 (Mar. 10, 1995).

Adoption of Rules Pertaining to Intramarket Service Area Presubscription and Changes in Dialing Arrangements Related to the Implementation of Such Presubscription, Dkt. No. 94-0048, Interim Order, at 31 (April 7, 1995).